

**DEPARTMENT OF THE NAVY
HUMAN RESOURCES SERVICE CENTER NORTHEAST**

EMPLOYEE BENEFITS UPDATE 02-03

SUBJECT: Thrift Savings Plan (TSP) Open Season

DATE: May 13, 2002

The Thrift Savings Plan (TSP) Open Season will begin **May 15, 2002 and end on July 31, 2002**. Please be advised that TSP has just announced that at the close of this open season, the dates of the TSP open seasons will change to October 15 through December 31 and April 15 through June 30. More details about this change in the TSP open season dates will be given at a later date.

TSP is a retirement savings plan for both FERS and CSRS employees and during this open season, all eligible employees can elect to participate in TSP or increase/decrease their contributions. During this open season, eligible FERS employees may elect to contribute up to **12%** of their basic pay; eligible CSRS employees may elect to contribute up to **7%** of their basic pay. The total amount of TSP contributions, however, cannot exceed the Internal Revenue Service (IRS) annual limit on elective deferrals. For the year 2002, the elective deferral limit is **\$11,000**. The TSP Fact Sheet "Annual Limit on Elective Deferrals" describes how the IRS annual limit may affect TSP contributions and is available from the TSP web site.

There are no changes to the amount of agency contributions made to the TSP accounts of FERS employees. For FERS employees, the first three percent contributed will be matched dollar for dollar with agency contributions. The next two percent contributed will be matched 50 cents for every dollar contributed. The agency also contributes one percent automatically to eligible FERS employees whether or not the employee makes contributions to their account. CSRS employees do not receive any agency matching contributions.

Note: Employees can cancel their TSP contributions at any time. If you stopped your TSP contributions before February 1, 2002, you may resume your contributions this open season. If, however, you stopped your contributions on or after February 1, 2002, you may not elect to begin contributing again until the next TSP open season beginning October 15, 2002.

ELECTION AND ALLOCATION CHANGES

Employees desiring to change their fund contribution allocations or request an interfund transfer must do so directly with the Thrift Savings Board (TSP). These requests for fund contribution allocations and interfund transfers can be made at any time. You may make your request for fund contributions or interfund transfers in any of the three ways listed below. However, in order for you to process your request either through the TSP web site address or the ThriftLine, you will need your TSP Personal Identification Number (PIN).

About the TSP PIN: Prior to November 1994, the TSP PIN was shown in the upper section (Personal Information) of the Participant's Statement. If you do not have your TSP PIN or would like to request a new one, you may do so at www.tsp.gov (just click on Account Access) or by calling the ThriftLine at (504) 255-8777. New participants will receive a letter from TSP notifying them that their TSP account has been established and will include their TSP PIN number. Since new participants cannot allocate contributions until receipt of this PIN number, their contributions as well as any agency contributions will

be invested in the Government Securities Investment (G) Fund until a fund contribution allocation is made with the TSP Board.

Three options for making a fund contribution allocation or requesting an interfund transfer:

- **TSP Website** – www.tsp.gov (Account Access section). If you have Internet access and your browser supports the 128-bit encryption, you can make your request in the secure area of the TSP Website. You will need your Social Security Number (SSN) and your TSP Personal Identification Number (PIN). Your request is recorded immediately, avoiding the mailing and processing time of a paper request.
- **TSP ThriftLine** – (504) 255-8777. You must call from a touch-tone telephone. You will need your SSN and TSP PIN. Your request is recorded immediately, avoiding the mailing and processing time of a paper request.
- **Form TSP-50**. The Form TSP-50, Investment Allocation, is the hardcopy form which may be used to allocate monies and request interfund transfers. This form may be used in lieu of the TSP web site or ThriftLine. However, this optical scanner form is not available on the TSP web site. Only hard-copy forms may be used; photostat copies will not be accepted. Hard-copy forms can be obtained by contacting a Customer Service Representative on the Benefits Line (1-888-320-2917). Hearing impaired employees may call our TDD number at (215) 408-5449. Do not submit the completed TSP-50 form to our office. We cannot process contribution allocations or interfund transfers. **The completed TSP-50 form should be mailed directly to the TSP Service Office.**

You may invest all or any portion of these contributions in any of the five TSP investment funds: the Government Securities Investment (G) Fund; the Common Stock Index Investment (C) Fund; the Fixed Income Index Investment (F) Fund; the International Stock Index Investment (I) Fund; and the Small Capitalization Stock Index Investment (S) Fund. The I and the S Funds are the recent funds that were added to the TSP program in May 2001.

FERS employees who are eligible to make contributions but do not contribute, may invest their Agency Automatic (1%) Contributions in any of the five TSP investment funds. The Agency Automatic (1%) Contributions will be invested in the G Fund until a fund contribution allocation is made with the TSP Board.

It is important to read the TSP Plan Summary before you request a fund contribution allocation. The section on Investment Options describes the risks and advantages of the five TSP Funds and contains details that you should consider before you allocate your TSP contributions.

HOW TO MAKE AN OPEN SEASON ELECTION

Using A Computer To Make An Open Season Change. The most efficient way to elect to contribute to TSP or increase/decrease your contributions is by using the Employee Benefits Information System (EBIS). By using EBIS, you can make a TSP open season change 24 hours a day from any computer with Internet access.

You can access EBIS through Department of Navy Civilian Human Resources homepage at <http://www.donhr.navy.mil/>. At this homepage, select "EBIS". To log into EBIS, you use your Social Security Number and password. New EBIS users must establish a password and the process is described in Attachment 1. Please note that EBIS passwords are only valid for 90 days. Employees who established a password during the last TSP Open Season and have not reset their password since then will

need to reset their password and should follow the steps on Attachment 1. To make a TSP open season change, you must also establish a Personal Identification Number (PIN). If you haven't used EBIS or the Benefits Line before, you will initially be asked to enter a 4 digit PIN consisting of the month and year of your birth (MMYY). For security purposes, the system will then prompt you to change your PIN to a 6 digit number of your choice. Once you have established a PIN in either EBIS or the Benefits Line, the same PIN is used to access either system.

Using the Benefits Line to Make An Open Season Change. If you prefer, you may elect to contribute to TSP or increase/decrease your TSP contributions by using the Benefits Line (1-888-320-2917). The Benefits Line uses a touch tone telephone. This system is also available 24 hours a day. Once connected to the Benefits Line, follow the prompts in order to use the automated system to make your election. To make a TSP open season change, you must also establish a Personal Identification Number (PIN). If you haven't used EBIS or the Benefits Line before, you will initially be asked to enter a 4 digit PIN consisting of the month and year of your birth (MMYY). For security purposes, the system will then prompt you to change your PIN to a 6 digit number of your choice. Once you have established a PIN in either EBIS or the Benefits Line, the same PIN is used to access either system.

In addition to using the automated system to make Benefits changes, the Benefits Line also has Customer Service Representatives (CSRs) available to provide assistance and answer questions between the hours of 7:30 am and 4:30 pm (EDS) Monday through Friday.

Reminder - Effective January 9, 2002, the HRSC-NE no longer accepts any hardcopy Thrift Savings Plan Election Forms, TSP-1, for processing. All TSP-1s received by the HRSC-NE will not be processed and will be returned to the employees.

EFFECTIVE DATES OF OPEN SEASON CHANGES

If you make a TSP Open Season change, **it is important to review your Leave and Earnings Statement (LES)** to ensure that the change is properly reflected. Information about projected open season changes is available in EBIS.

<u>TSP ELECTION PROCESSED EBIS/BENEFITS LINE</u>	<u>EFFECTIVE DATE</u>	<u>CHANGE SHOWN ON LES*</u>
05-15-02 THRU 07-13-02	07-14-02	08-02-02
07-14-02 THRU 07-27-02	07-28-02	08-16-02
07-28-02 THRU 07-31-02	08-11-02	08-30-02

* Date change should be reflected on LES received this date. If change is not reflected on this LES, please contact the Benefits Line at 1-888-320-2917 between the hours of 7:30 am and 4:30 pm EDS Monday through Friday, and a Customer Service Representative will assist you.

INFORMATION ABOUT TSP

For more TSP information, you may refer to the revised "Summary of the Thrift Savings Plan for Federal Employees" (May 2001), which all eligible employees received in May 2001 or in their new hire packages after that date. This booklet contains all the information about the TSP Program's participation and contribution rules, interfund transfers, loans, withdrawals, and other important TSP information. For detailed information concerning the TSP investment funds, refer to the Guide to TSP Investments. You will also be able to obtain these booklets from the TSP Web site www.tsp.gov.

If you have any questions about the TSP, visit the TSP Web site at www.tsp.gov, or contact the Benefits Line on 1-888-320-2917. Hearing impaired employees may call our TDD number at (215) 408-5449.

ATTACHMENT 1

HOW TO CREATE A PASSWORD FOR EBIS

You can access EBIS through the Department of Navy Civilian Human Resources web site at <http://www.donhr.navy.mil/>. At this DONHR homepage, select “EBIS”.

Once you are in the EBIS module, you must create a password. Select the “Set Password” button. EBIS must verify your identify before you can create a password. You will complete the information listed below based on your most recent SF 50, Notification of Personnel Action or Leave and Earnings Statement (LES).

Social Security Number
Service Computation Date for leave (MM/DD/YYYY)
Date of Birth (MM/DD/YYYY)
Civilian Pay Plan
Grade
Step

The password must:

- Contain 8 – 10 characters
- Cannot match any portion of your social security number
- Contain at least 3 of the following 4 characters:
 - An upper case letter (A, B, C,...Z)
 - A lower case letter (a, b, c,...z)
 - A number (0, 1, 2, 3,...9)
 - A special character (exclamation point (!), at sign (@), number sign (#), etc.).
DO NOT USE apostrophes (’), commas (,), pipes (|), or periods(.)

Examples of valid passwords:

- October8 (uppercase/lowercase/numeric)
- 090971Tm (numeric/uppercase/lowercase)
- adnoM@30 (lowercase/uppercase/special character)
- 082597Hd (numeric/uppercase/lowercase)
- IuAMears! (uppercase/lowercase/special characters)

In compliance with DoD security measures, there is an eight-day waiting period between password changes. You cannot use the same password within a six-month period. Passwords must be changed every 90 days.